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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/804,851	03/13/2001	Sarat C. Sankaran	1285.013US1	2552
21186 7590 11/12/2008 SCHWEGMAN, LUNDBERG & WOESSNER, P.A. P.O. BOX 2938 MINNEAPOLIS, MN 55402				
EXAMINER				
KESACK, DANIEL				
ART UNIT		PAPER NUMBER		
3691				
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11/12/2008		PAPER		

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

# Office Action Summary

**Application No.**

09/804,851

**Applicant(s)**

SANKARAN ET AL.

**Examiner**

Daniel Kesack

**Art Unit**

3691

**Period for Reply** -- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 18 August 2008.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 21-35 and 38-41 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 21-35 and 38-41 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO/SB/C2)  
Paper No(s)/Mail Date \_\_\_\_\_
- 4) ☐ Interview Summary (PTO-413)  
Paper No(s)/Mail Date \_\_\_\_\_
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: \_\_\_\_\_

**DETAILED ACTION**

***Continued Examination Under 37 CFR 1.114***

1. A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on August 18, 2008 has been entered.

***Status of Claims***

2. Claims 21-35, 38-41 are currently pending. The rejections are as stated below.

***Claim Rejections - 35 USC § 112***

3. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

4. Claims 31 and 39 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Claim 31, the following phrases lack antecedent basis, and it is unclear as to how they interrelate with the claimed invention:

"each node" (line 6)

"data hierarchy" (line 9)

"organizational data hierarchy (lines 10-11).

Claim 39, It is unclear whether the means for refer to the software or the hardware described in the specification. See the rejection under 35 U.S.C. 101, below.

### ***Claim Rejections - 35 USC § 101***

5. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

6. Claims 35 and 39 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

Claims 35 recite a process comprising the steps of receiving data, creating data, and storing data. Based on Supreme Court precedent, a proper process must be tied to another statutory class or transform underlying subject matter to a different state or thing (*Diamond v. Diehr*, 450 U.S. 175, 184 (1981); *Parker v. Flook*, 437 U.S. 584, 588 n.9 (1978); *Gottschalk v. Benson*, 409 U.S. 63, 70 (1972); *Cochrane v. Deener*, 94 U.S. 780, 787-88 (1876)). Since neither of these requirements is met by the claim, the method is not considered a patent eligible process under 35 U.S.C. 101. To qualify as a statutory process, the claim should positively recite the other statutory class to which it is tied, for example by identifying the apparatus that accomplished the method steps or positively reciting the subject matter that is being transformed, for example by identifying the material that is being changed to a different state.

Claim 39, the specification describes the claimed steps as being modules on a web-based application server. The "means for" could be interpreted as either the server and network, or the software modules. Since the claimed invention could be interpreted as consisting entirely of software, the claim is not considered statutory, because software is not a patentable subject matter.

***Claim Rejections - 35 USC § 103***

7. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

8. The factual inquiries set forth in *Graham v. John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966), that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:

1. Determining the scope and contents of the prior art.
2. Ascertaining the differences between the prior art and the claims at issue.
3. Resolving the level of ordinary skill in the pertinent art.
4. Considering objective evidence present in the application indicating obviousness or nonobviousness.

9. Claims 21-35, and 38-41 are rejected under 35 U.S.C. 103(a) as being unpatentable over Lautzenheiser et al., U.S. Patent No. 6,351,734, in view of Their, U.S. Patent No. 7,130,822.

Claims 21, 24-35, 38-41, Lautzenheiser teaches a system and method for associating information with elements of an organization, comprising:

Creating and storing a stored organization data hierarchy that represents the organization and the sub-organizations and comprises a plurality of hierarchical levels (column 6 lines 1-42);

receiving first data input that specifies a spending capacity for at least a portion of the organization (column 4 lines 52-58, column 9 lines 17-21);

in response to receiving the first data input, creating and storing spending capacity data in a public area, wherein the spending capacity data defines the spending capacity based on the first data input (column 4 lines 63-67);

receiving second data input that specifies one or more planned expense allocations of the portion of the organization (column 4 lines 59-62, column 9 lines 15-17);

in response to receiving the second data input, creating and storing planned expense data, where the planned expense data defines the one or more planned expense allocations based on the second data input (column 5 lines 21-24);

automatically determining whether the planned expense data exceeds the spending capacity data, and transmitting a notification that the planned expense data exceeds the spending capacity data when the planned expense data exceeds the spending capacity data and (column 5 lines 24-29, and column 9 line 59 - column 10 line 5);

entering new data in the same manner as described above with a new first data input and a new second data input (column 5 lines 18-20, and column 10 lines 6-15).

Lautzenheiser fails to teach initially storing the planned expense data in a private area, and storing the planned expense data in the public area only when the planned expense data does not exceed the spending capacity data.

Their teaches a system and method for budget planning. The system of Their is similar to the system of Lautzenheiser in that it relies on individual contributions to form the resource allocation in a hierarchical manner. Their teaches storing planned expense data in a private area (column 6 lines 41-47), and storing the planned expense data in the public area when the planned expense is approved (column 5 line 62 – column 6 line 5). It would have been obvious to one of ordinary skill in the art at the time of Applicant's invention to modify the teachings of Lautzenheiser to include the private areas of Their because it is desirable that a user be able to use the system of Lautzenheiser without finalizing the results. Using the invention of Lautzenheiser, a user may desire to fill in numbers and see if the numbers are flagged for being "over-budget". Their teaches a method for submitting the budget to a higher node of the hierarchy, which includes a private area where the information is only viewable by the user working on it, and a public area, where the information is made public when it is approved by a higher node. The system of Their allows a user to keep the data private until the budget is final, at which point the data may be submitted and processed, as is described by Lautzenheiser.

Claims 22, 23, the claim limitations are considered non-functional descriptive language, as it recites the intended use of the claimed method. The recitation of who the data is for, what the data represents, and how the data is used does not further limit or narrow the claimed method. The method is performed in the same way regardless of



what the data represents, and therefore the language is not given weight in determining patentability over the prior art.

### ***Response to Arguments***

10. Applicant's arguments with respect to claims 21-41 have been considered but are moot in view of the new grounds of rejection.

### ***Conclusion***

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Daniel Kesack whose telephone number is (571)272-5882. The examiner can normally be reached on M-F, 9:00am-5:00pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Alexander Kalinowski can be reached on 571-272-6771. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

Respectfully Submitted,

Daniel Kesack  
November 7, 2008  
/D. K./  
Examiner, Art Unit 3691

/Hani M. Kazimi/  
Primary Examiner, Art Unit 3691